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Counterclaim Plaintiffs Joseph Abboud, Houndstooth Corp.  
and Herringbone Creative Services, Inc.*

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

----- X  
JA APPAREL CORP.,

Plaintiff,

v.

JOSEPH ABBOUD, HOUNDSTOOTH  
CORP., and HERRINGBONE CREATIVE  
SERVICES, INC.,

Defendants.  
-----

JOSEPH ABBOUD, HOUNDSTOOTH  
CORP., and HERRINGBONE CREATIVE  
SERVICES, INC.,

Counterclaim Plaintiffs,

v.

JA APPAREL CORP. and MARTIN STAFF,

Counterclaim Defendants.  
----- X

Civil Action No. 07 CV 07787 (DAB)

**DECLARATION OF LOUIS S.  
EDERER IN SUPPORT OF CROSS-  
MOTION FOR JUDGMENT ON THE  
PLEADINGS ON COUNTS ONE  
THROUGH SEVEN AND COUNT  
NINE OF PLAINTIFF'S  
COMPLAINT AND IN OPPOSITION  
TO PLAINTIFFS' MOTION *IN  
LIMINE* TO PRECLUDE  
ADMISSION OF PAROL EVIDENCE**

**EXHIBIT I**

25/02/2000 17:19 0039011-2397259

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PAG. 02

~~GRUPPO GFT~~

**FACSIMILE TRANSMIT COVER SHEET**

Facsimile phone number: (011) 239.7259 (CCITT GR3)

Date 25th February 2000

From : Roberto Jorio Pili - GFT Turin

To : Joseph Abboud - New York

For the kind attention of Mr. Joseph Abboud

**COMMENTS**

Dear Joseph,

I hope everything is fine with you and your family.

I am in receipt of the correspondence between our legal offices.

I have to admit my surprise at reading that, after all the personal discussions, the phone calls, the letters and our last meeting of the 2nd February, where Mr. Anton and his colleague were also present, we are still discussing on points and details on which more than once we already thoroughly confronted each other and on which we had, not without efforts, finally found a mutually satisfactory agreement on the 2nd February, solving every pending matter.

I particularly refer to:

- 1) non-competition agreement, where, from the very beginning of our discussions, it had been made clear that by acquiring for a huge amount the trade marks owned by yourself and Houndstooth Corp., GFT intends to protect itself for the future with a clause safeguarding its own investment (which incidentally will start being partially profitable on the 5th year) and not allowing the "designer" Joseph Abboud to engage in any activity which could in any way damage the growth of the business, the integrity of the investment and the consolidation and return of the same. Especially after only 5 years.

Total number of pages including this page : 2 If you don't receive all the pages call phone number 0039-11-239.7234

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PAG. 83

~~GRUPPO CFT~~

2) Right from the initial steps of our negotiation I have always declared that our objective was and still is the acquisition of the trade marks.

This concept, then, has been also repeatedly reaffirmed throughout our correspondence and it has been finally clarified during our last meeting in Milano on the 2nd February.

It is very discouraging to read that your attorney is re-discussing this point over again, and so therefore I would like, one more time, to amicably go through its main topics :

2.1 object of the acquisition are the trade marks;

2.2 we are not interested in buying companies;

2.3 we are not interested in the 57th Street premises. In case we will need additional space in view of business development, we would look for it within the 650, 5th Avenue building, actual JA Apparel head offices, for obvious reasons of cost opportunities, management synergies and lay-out rationalization;

2.4 as far as the Houdstooth employees are concerned, as already verbally discussed we are going to evaluate the following conditions :

a) eventual necessities of JA Apparel to hire new professionals;

b) if so, we will analyze the available professionals within Houdstooth Corp and their corresponding salaries, and they will surely, when possible, be treated as in priority position;

c) in case we find useful professionals within Houdstooth, these ones only will receive our proposal to enter our team. It will then be their choice whether to accept or not.

Dear Joseph, after so many years of cooperation and friendship, I feel sure that you will recognize in this message the truthful representation of what discussed and mutually agreed with an handshake last 2nd February.

I feel therefore convinced that, in view of all this, you will instruct your people so that these problems can be finally removed in order to formalize our agreement within the expected timeframe.

Yours faithfully,



Roberto Jorio Fili